Delay in recovery of NPAs

42. SHRI C. RAMACHANDRAIAH :
SHRI K. RAHMAN KHAN :
SHRI RAMACHANDRA KHUNTIA :

Will the Minister of FINANCE be pleased to state :

(a) what is the total NPA in various banks and whether banks have been successful in reducing their NPA after the related legislation passed in the Parliament;

(b) what is the action plan of Government for reducing NPAs by various banks;

(c) whether the Ministry of Finance, has the list of big defaulters in bank loans and loan and claim amount is more than Rs. 100 crores; if so, the details in this regard; and

(d) whether it is a fact that some of the banks are intentionally delaying taking action against the big defaultures?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL) : (a) Total non-performing assets of Scheduled Commercial Banks stood at Rs.68,714 crore as on March 31, 2003 as compared to Rs. 70,861 crore as on March 31, 2002. The ratio of Gross NPAs to Gross Advances declined from 10.4% in March, 2002 to 8.8% in March, 2003.

(b) Government of India and Reserve Bank of India have advised the banks to take several steps for recovery of dues such as evolving and implementation of recovery policy by banks, filing of suits with civil courts, filing cases with Debt Recovery Tribunals (DRTs), compromise settlement through Settlement Advisory Committees, Lok Adalats and monitoring and follow up of NPAs at various levels. Credit Information Bureau has also been set up to disseminate information on borrowers to the banks. Corporate Debt Restructuring (CDR) scheme has been put in place to provide a transparent mechanism for restructuring of corporate debts of viable entities facing problems due to internal and external factors. "Asset Reconstruction Companies" are being set up for recovery of loans. "The Securitization & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002" has been enacted to facilitate foreclosures

and enforcement of securities in cases of default, in order to enable the banks to realize their dues. RBI has issued revised guidelines for compromise settlement of chronic NPAs of Public Sector Banks on 29th January, 2003. These guidelines will cover all NPAs in all sectors irrespective of the nature of business, which have become doubtful or loss as on 31st March 2000 with outstanding balance of Rs. 10.00 crore and below.

(c) Ministry of Finance does not maintain list of defaulters of banks but details regarding defaulters is available on RBI's web site 'www.rbi.org.in'.

(d) No, Sir.

Task force on growth rate

43. SHRI V.V. RAGHAVAN :

SHRI N.R. DASARI :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a Task Force has been set up to make recommendations to achieve the 8 per cent growth target during the Tenth Plan period; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL) : (a) and (b) No Sir. As per the information available from the Planning Commission, no task force has been set up to make recommendations to achieve the 8 per cent growth target.

Guidelines issued by CBDT

44. SHRI LALIT SURI: Will the Minister of FINANCE be pleased to state :

(a) whether there are any instructions/guidelines issued by the Central Board of Direct Taxes, regarding filing of second appeal in income tax and wealth tax cases before the Income Tax Appellate Tribunal;

(b) if so, the details thereof;

(c) whether these instructions/guidelines have been violated and superfluous and unnecessary appeals are being filed which increase workload of appellate authorities;